

HOUSE BILL 1238

B1, P2, D1

2lr2874

By: **Delegate Dumais**

Introduced and read first time: February 10, 2012

Assigned to: Judiciary

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 19, 2012

CHAPTER _____

1 AN ACT concerning

2 **Maryland Legal Services Corporation Fund – Net Interest Earnings**

3 FOR the purpose of including the Maryland Legal Services Corporation Fund in the
4 list of funds whose net interest earnings do not accrue to the General Fund of
5 the State; specifying that certain charges may not be made against the Fund
6 under certain circumstances; and generally relating to net interest earnings of
7 the Maryland Legal Services Corporation Fund.

8 BY repealing and reenacting, with amendments,
9 Article – Human Services
10 Section 11–402
11 Annotated Code of Maryland
12 (2007 Volume and 2011 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – State Finance and Procurement
15 Section 6–226
16 Annotated Code of Maryland
17 (2009 Replacement Volume and 2011 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article – Human Services**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 11-402.

2 (a) There is a Maryland Legal Services Corporation Fund.

3 (b) The Administrative Office of the Courts shall administer the Fund.

4 (c) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of
5 the State Finance and Procurement Article.

6 (d) The Fund consists of:

7 (1) money deposited to the Fund from the surcharge assessed in civil
8 cases under §§ 7-202 and 7-301 of the Courts Article;

9 (2) money appropriated to the Fund under § 11-401 of this subtitle;

10 (3) interest on attorney trust accounts paid to the Fund under §
11 10-303 of the Business Occupations and Professions Article; and

12 (4) investment earnings of the Fund.

13 (e) The Corporation shall use the Fund to provide funding for civil legal
14 services to indigents under this title.

15 (f) The Treasurer shall:

16 (1) invest and reinvest the Fund in the same manner as other State
17 funds, ~~EXCEPT THAT NO INTEREST CHARGE SHALL BE MADE AGAINST THE FUND~~
18 ~~IF THE AVERAGE DAILY NET CASH BALANCE FOR THE MONTH IS LESS THAN~~
19 ~~ZERO~~; and

20 (2) credit any investment earnings to the Fund AND MAY NOT
21 CHARGE INTEREST AGAINST THE FUND IF THE AVERAGE DAILY NET CASH
22 BALANCE FOR THE MONTH IS LESS THAN ZERO.

23 (g) Expenditures from the Fund shall be made in accordance with an
24 appropriation requested by the Judicial Branch of the State government under §
25 7-108 of the State Finance and Procurement Article and approved by the General
26 Assembly in the State budget or by the budget amendment procedure under § 7-208.1
27 of the State Finance and Procurement Article.

28 **Article – State Finance and Procurement**

29 6-226.

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- 1 17. Scriven Estate Fund;
- 2 18. Volunteer Company Assistance Fund;
- 3 19. Radoff Memorial Fund;
- 4 20. Archives Endowment Account within the Archives
5 Fund;
- 6 21. Ellefson Endowment Fund;
- 7 22. Albert C. Ritchie Memorial Fund;
- 8 23. Rate Stabilization Fund;
- 9 24. Maryland Health Insurance Plan Fund;
- 10 25. Fair Campaign Financing Fund;
- 11 26. State Employees and Retirees Health and Welfare
12 Benefits Fund;
- 13 27. Major Information Technology Development Project
14 Fund;
- 15 28. State Retirement Agency Funds;
- 16 29. Postretirement Health Benefits Trust Fund;
- 17 30. Maryland Emergency Medical System Operations
18 Fund;
- 19 31. State Wildlife Management and Protection Fund;
- 20 32. Fisheries Management and Protection Fund;
- 21 33. Ocean Beach Replenishment Fund;
- 22 34. Community Services Trust Fund;
- 23 35. Waiting List Equity Fund;
- 24 36. Health Care Coverage Fund;
- 25 37. Health Services Cost Review Commission Fund;
- 26 38. Hospital Uncompensated Care Fund;

- 1 39. funds in the accounts of Morgan State University;
- 2 40. funds in the accounts of St. Mary's College of
3 Maryland;
- 4 41. funds in the accounts of the University System of
5 Maryland;
- 6 42. Maryland Prepaid College Trust Fund;
- 7 43. Nurse Support Program Assistance Fund;
- 8 44. funds in the accounts of the Baltimore City
9 Community College;
- 10 45. Education Trust Fund;
- 11 46. Section 8 construction and administration funds
12 administered by the Department of Housing and Community Development;
- 13 47. MacArthur Grant Fund;
- 14 48. all special funds within the Department of Business
15 and Economic Development;
- 16 49. Maryland Water Quality Revolving Loan Fund;
- 17 50. Maryland Drinking Water Revolving Loan Fund;
- 18 51. Bay Restoration Fund;
- 19 52. Migratory Game Bird Fund;
- 20 53. Deer Stamp Fund;
- 21 54. Wildlife Habitat Incentive Fund;
- 22 55. Fisheries Research and Development Fund;
- 23 56. Strategic Energy Investment Fund;
- 24 57. Criminal Injuries Compensation Fund;
- 25 58. 50% of the interest from the 9-1-1 Trust Fund;
- 26 59. all accounts within the State Reserve Fund;

- 1 60. local revenue accounts collected by the Judiciary;
- 2 61. Assistive Technology Loan Fund;
- 3 62. Veterans Trust Fund; [and]
- 4 63. Transportation Trust Fund; AND
- 5 **64. THE MARYLAND LEGAL SERVICES CORPORATION**
- 6 **FUND.**

7 (b) (1) Notwithstanding any other provision of law, the Treasurer may
8 invest separately or commingled in 1 or more pools amounts to be invested by law or
9 regulation for State agencies.

10 (2) The Treasurer shall allocate net earnings on amounts commingled
11 in a pool to the appropriate State agencies entitled to receive interest earnings under
12 subsection (a) of this section.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 2012.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.